

WHAT TO DO WHEN A PROJECT GOES WRONG

A Homeowner's Step-by-Step Guide to Protecting the Property, Preserving Evidence and Resolving Problems

CMP'S CORE RULE: When a project starts going wrong, do not react only with emotion or immediately tear everything out. First **PROTECT - DOCUMENT - NOTIFY - VERIFY - RESOLVE - ESCALATE WHEN NECESSARY**. The goal is to stop avoidable damage, preserve your position, and create a clear path toward correction.

1. FIRST: DECIDE WHETHER THIS IS AN EMERGENCY

Some project problems are frustrating; others threaten people or property. If there is an immediate safety hazard, active water intrusion, exposed electrical danger, gas concern, structural instability, fire risk, or another urgent condition, protect people first and contact the appropriate emergency service, utility, building official, licensed professional or insurer as circumstances require.

DO NOT DELAY NECESSARY EMERGENCY MITIGATION JUST TO PRESERVE A DISPUTE. But when reasonably possible, photograph/video the condition before emergency work, keep damaged materials or evidence when appropriate, and save every invoice and receipt.

2. STOP AND PRESERVE THE RECORD

Before deciding who is at fault, create a factual record of what happened. Texas Property Code Chapter 27 expressly contemplates evidence such as expert reports, photographs, video and audio recordings in residential construction-defect disputes. Good documentation can also help a contractor understand and correct a legitimate problem.

- ☐ Photograph the overall area and close-up details.
- ☐ Take dated video showing movement, leaks, operation or other conditions when useful.
- ☐ Save the original contract, estimate, plans and specifications.
- ☐ Save every approved and disputed change order.
- ☐ Save texts, emails, portal messages and written promises.
- ☐ Create a payment ledger with dates, amounts and method of payment.
- ☐ Save receipts, invoices, material labels and product information.
- ☐ Record inspection results, permit records and correction notices.
- ☐ Write a short factual timeline while events are fresh.
- ☐ Preserve relevant damaged material when safe and practical.

3. IDENTIFY WHAT KIND OF PROBLEM YOU ACTUALLY HAVE

Problem / Issue	Questions to Ask Yourself
Scope dispute	Was the disputed work included, excluded, or changed later?
Quality / workmanship	What objective standard, plan, manufacturer instruction, code or contract term applies?
Incomplete work	What contracted work remains unfinished?
Cost / payment dispute	Is the charge in the contract, allowance, change order or other authorization?
Delay / abandonment	What does the agreement say about schedule, delay and termination?
Damage to property	What caused the damage and what immediate mitigation is needed?
Permit / inspection issue	Was a required permit obtained and did work pass required inspections?
Material substitution	Was the product/grade/brand changed and was approval required?
Communication breakdown	Can the disputed issues be reduced to a written punch list or correction plan?
Suspected fraud / deception	Do the facts warrant reporting to law enforcement, TDI, Texas AG or another regulator?

4. COMPARE THE PROBLEM TO THE WRITTEN AGREEMENT

Do not rely only on memory. Read the contract, proposal, drawings, specifications, allowances, exclusions, payment terms, warranty provisions, change-order procedure, dispute-resolution clause, termination terms and any statutory notices. Determine what the contractor actually promised and what the homeowner agreed to.

CMP QUESTION: 'Can I point to the exact document, drawing, specification, message or approved change that supports my position?' If not, identify what evidence is missing before escalating.

5. NOTIFY THE CONTRACTOR IN WRITING

For ordinary project problems, a clear written notice often creates the best opportunity for correction. Describe the issue factually, identify the affected location/work, attach representative evidence, state what clarification or correction you are requesting, and request a written response by a reasonable date. Avoid threats, insults or unsupported accusations.

SIMPLE CMP FORMAT:

Issue: What is wrong?

Location: Where is it?

Evidence: What documents/photos support it?

Requested action: Inspect, explain, repair, replace, credit, complete or propose a solution.

Response requested: By what reasonable date?

6. GIVE A REASONABLE OPPORTUNITY TO INSPECT - WHEN APPROPRIATE

For Texas residential construction defects, Chapter 27 can impose a formal pre-suit notice and inspection process. In general, before filing an action for damages or other relief arising from a construction defect, a claimant must give the contractor detailed written notice by certified mail, return receipt requested, at least 60 days before initiating the action. After receipt, the contractor can request a reasonable opportunity to inspect during the statutory period. The law contains exceptions, deadlines and detailed procedures, so homeowners facing a serious defect dispute should obtain legal advice before sending a formal Chapter 27 notice or filing suit.

TEXAS LEGAL ALERT: Do not confuse an ordinary complaint email with a formal Chapter 27 notice. If litigation or arbitration is being considered, the notice, evidence, inspection opportunity and timing can affect legal rights and remedies.

7. DO NOT DESTROY EVIDENCE OR RUSH INTO NON-EMERGENCY REPAIRS

A second contractor may be able to fix the problem quickly, but replacing disputed work before the original contractor or an expert can inspect it may complicate proof and legal rights. Chapter 27 specifically addresses notice, evidence and inspection opportunities in residential construction-defect claims. Emergency mitigation is different: protect health, safety and property first, while documenting what was done and why.

8. GET AN INDEPENDENT PROFESSIONAL OPINION WHEN THE ISSUE IS TECHNICAL

- [] Licensed engineer for structural, foundation or other engineering questions.
- [] Licensed electrician, plumber, HVAC professional or other applicable trade expert.
- [] Qualified inspector or building official for code/inspection questions.
- [] Manufacturer or authorized representative for product-installation/warranty issues.
- [] Insurance adjuster/agent when a potentially covered loss is involved.
- [] Construction attorney when rights, notices, liens, termination, arbitration or substantial money are at stake.

9. CONTROL PAYMENTS - BUT DO NOT IMPROVISE LEGAL REMEDIES

Do not automatically make a final payment for work you believe is incomplete or materially defective, but also do not assume you may withhold any amount you choose without consequences. Review the contract, payment schedule, lien issues and applicable law. Texas consumer guidance emphasizes written agreements, payment records and caution with contractor payments. For a significant dispute, obtain legal advice before terminating the contractor, withholding substantial sums, hiring a replacement, signing lien documents or making statements that could affect contractual rights.

10. BUILD A WRITTEN CORRECTION / RESOLUTION PLAN

RESOLUTION ITEM	WHAT TO DOCUMENT
Defect / incomplete item	Precise description and location.
Responsibility	Who will perform or pay for the correction?
Method	Repair, replace, complete, credit, refund or other agreed solution.
Materials / standard	What product or performance requirement applies?
Schedule	Start date, completion target and access requirements.
Cost	Who pays? Is there a credit/change order?
Inspection / verification	Who determines that correction is complete?
Closeout	Warranties, releases, permit sign-off and final payment implications.

11. ESCALATE IN A CONTROLLED ORDER

Not every problem belongs in court. Escalation should match the seriousness of the issue, the contract and applicable law.

- ☐ Written contractor notice and documented request for correction.
- ☐ Project meeting / written punch list / correction agreement.
- ☐ Independent technical evaluation where needed.
- ☐ Insurance claim or insurer notice when a potentially covered event is involved.
- ☐ Required mediation, arbitration or dispute procedure in the contract.
- ☐ Formal statutory notice, including Chapter 27 when applicable.
- ☐ Complaint to the appropriate licensing/regulatory agency for a licensed trade.
- ☐ Texas Attorney General consumer complaint when the facts warrant it.
- ☐ Law enforcement or fraud reporting for suspected criminal conduct.
- ☐ Qualified construction attorney / litigation or arbitration when other resolution efforts fail or deadlines require action.

IMPORTANT: The Texas Attorney General accepts consumer complaints but states that its office cannot provide private legal advice. A regulatory complaint may help document or investigate conduct, but it is not a substitute for protecting your contractual deadlines and legal rights.

12. INSURANCE-RELATED PROJECT PROBLEMS

If the project involves an insurance claim, keep the contractor dispute separate from your rights under the insurance policy. TDI states that Texas homeowners have the right to choose their repair contractor. TDI also warns against blank contracts, full/large upfront payments, contracts that simply assign the value of insurance proceeds, deductible-waiver schemes and unverified insurance representations.

IF THE CONTRACTOR'S ACTIONS APPEAR FRAUDULENT: Preserve documents and payment records. Depending on the facts, reporting may be appropriate to local law enforcement, the Texas Department of Insurance (insurance-related fraud), the Texas Attorney General, or the applicable licensing authority.

13. CMP PROJECT RECOVERY WORKSHEET

ITEM	HOMEOWNER NOTES
Problem first discovered	Date: _____ Location: _____
Immediate safety/property risk	☐ None ☐ Yes - action taken: _____
Contract / scope reference	_____
Photos / videos saved	☐ Yes ☐ No

ITEM	HOMEOWNER NOTES
Contractor notified in writing	Date: _____ Method: _____
Contractor response	_____
Inspection offered/completed	_____
Independent expert needed?	☐ No ☐ Engineer ☐ Trade ☐ Inspector ☐ Other
Proposed correction	_____
Cost / credit / payment issue	_____
Schedule to resolve	_____
Permit / inspection impact	_____
Insurance impact	_____
Legal / Chapter 27 review needed?	☐ No ☐ Unsure ☐ Yes
Next action / deadline	_____

14. CMP FINAL DECISION CHECK

- ☐ People and property are safe.
- ☐ I documented the condition before non-emergency correction work.
- ☐ I understand what the contract says.
- ☐ I identified the exact disputed scope/quality/cost/schedule issue.
- ☐ I notified the contractor in writing.
- ☐ I preserved relevant photos, records and communications.
- ☐ I have not destroyed important evidence.
- ☐ I know whether an independent expert is needed.
- ☐ I understand whether permits/inspections are involved.
- ☐ I understand whether insurance should be notified.
- ☐ I checked dispute-resolution and termination provisions.
- ☐ If this is a Texas residential construction defect, I have considered Chapter 27 requirements before legal action.
- ☐ I know my next action and deadline.

GREEN - MANAGE & CORRECT

Issue is documented, parties are communicating, and a credible correction plan is in place.

YELLOW - GET HELP

Responsibility, technical cause, money, schedule or documentation is disputed or unclear.

RED - PROTECT & ESCALATE

Safety risk, abandonment, suspected fraud, major defect, legal deadline, lien issue or serious financial exposure exists.

PROJECT GOING WRONG? DO NOT FACE IT ALONE.

CMP can help homeowners organize the project record, identify the questions that need answers, understand the next project-management step, and determine when an independent licensed professional, insurer or attorney should be involved.

Ask the CMP Project Advocate | Talk to a Real Person: (214) 609-7523 | sales@cmppartnersllc.org

Educational Resource Notice: This CMP-owned guide provides general educational and project-management information only. It is not legal, engineering, architectural, insurance, claims, code, permitting, inspection or contract advice. It does not determine fault, liability, coverage or legal rights. Construction disputes can involve contractual deadlines, statutes of limitation/repose, lien rights, arbitration clauses and statutory notice requirements. Consult appropriately licensed professionals for project-specific advice.

Research basis: CMP developed this original homeowner recovery framework after reviewing Texas Property Code Chapter 27 residential construction-defect notice, evidence and inspection provisions; Texas Attorney General consumer-complaint guidance; Texas Department of Insurance contractor-fraud and homeowner-rights guidance; and established consumer-protection principles concerning written contracts, payment records and contractor documentation. CMP condensed these into: PROTECT - DOCUMENT - NOTIFY - VERIFY - RESOLVE - ESCALATE.